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TESTIMONY OF ERIC HARTMAN ON BEHALF OF TEXAS AFT BEFORE THE SENATE FINANCE SUBCOMMITTEE ON PUBLIC EDUCATION FUNDING REGARDING CSSB 22 APRIL 18, 2011

This school-finance bill illustrates how much damage still would be done to funding for our public schools under a budget proposal half as bad as the House version. This bill is also testimony to the failure of the tax swap enacted in 2006, which reduced local property taxes without providing sufficient replacement revenue. The committee substitute for SB 22 is largely an attempt to distribute the resulting losses.

One of those losses is the repeal of the remaining \$500 of what used to be a \$1,000 wage supplement for all school employees to make health insurance more affordable. This state commitment, established in 2001, has helped bring health insurance within reach for many of our lowest-paid school personnel. Now this commitment would be broken entirely.

School districts under this bill would see an average loss of \$400 per pupil. To put that in perspective, consider that a representative for the Milken Family Foundation's Teacher Advancement Program testified a few years ago that this highly regarded program of school improvement would cost about \$400 per pupil above current funding to implement. Now we are talking about going in the opposite direction. Instead of adding funds to lift achievement, we're subtracting funding that is needed just to maintain current services.

Our students under this bill would have fewer teachers, larger classes, and fewer supporting services for those most in need. Their teachers would have less help, less time to collaborate, less time to prepare instruction, and less time for professional development; many can look forward to lower pay and benefits, while many others will be on the unemployment line instead of in the classroom. For some large urban districts with large concentrations of high-need students, including Houston ISD, Dallas ISD, and Austin ISD, the per-pupil losses will be significantly higher than the \$400 statewide average, and the consequences will be correspondingly severe. At the same time, because of the overall inadequacy of the funding assumed in this bill, the low-wealth districts most in need of additional help would see funding cuts instead. That is not equitable.

We respect your efforts to limit the damage, but we do not accept that this is the end of the road for this session regarding available revenue for our schools. We are eager to help you and your colleagues on the full Finance Committee to come up with better options to achieve adequacy



and equity. We appreciate the suggestions many members of the Finance Committee have made for additional revenue to help mitigate the damage, including greater use of the Economic Stabilization Fund, reform of the underperforming business margins tax, and development of new revenue sources, including elimination of tax exemptions, use of payment deferrals, drawing down available federal funds, and choosing from a broad menu of revenue options, including some tax increases.

We know some cuts are inevitable, but we still must protect our priorities, and Texas has no higher priority than the nearly five million students in our public schools. We believe that a balanced approach including new revenue will allow the state to avoid deep and lasting damage to their educational opportunities and to our state's future.